

# PUBLIC EMPLOYEES RETIREMENT SYSTEM

## State Investment Board

### Balance Sheet

As of 6/30/2006

	As of <u>6-30-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 667,811,360	\$ 595,705,367
INTERNATIONAL EQUITIES	237,378,450	234,576,931
DOMESTIC FIXED INCOME	461,105,477	421,826,873
INTERNATIONAL FIXED INCOME	82,755,374	67,728,541
REAL ESTATE	98,291,291	75,144,363
VENTURE CAPITAL	67,743,197	60,352,473
INVESTED CASH (NOTE 1)	<u>17,116,918</u>	<u>17,857,934</u>
 TOTAL INVESTMENTS	 1,632,202,067	 1,473,192,482
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,246,933	3,631,806
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	145,456,649	121,527,394
DUE FROM OTHER AGENCIES (NOTE 3)	<u>15,160</u>	<u>18,797</u>
 TOTAL ASSETS	 <u><u>\$ 1,781,920,809</u></u>	 <u><u>\$ 1,598,370,479</u></u>
 LIABILITIES:		
ACCOUNTS PAYABLE	1,547,360	1,141,451
SECURITIES LENDING COLLATERAL (NOTE 2)	145,456,649	121,527,394
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>0</u>
 TOTAL LIABILITIES	 147,004,009	 122,668,845
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,475,701,634	1,304,738,956
CASH IN DURING YEAR (NOTE 5)	0	0
CASH OUT DURING YEAR (NOTE 6)	17,250,000	13,000,000
NET INCREASE (DECREASE)	<u>176,465,166</u>	<u>183,962,678</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,634,916,800</u>	 <u>1,475,701,634</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,781,920,809</u></u>	 <u><u>\$ 1,598,370,479</u></u>

# **PUBLIC EMPLOYEES RETIREMENT SYSTEM**

## **State Investment Board Profit and Loss Statement For the Month Ended 6/30/2006**

	Month Ended <u>6-30-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 5,432,048	\$ 38,400,668
SECURITIES LENDING INCOME	620,289	5,365,034
	<u>6,052,337</u>	<u>43,765,702</u>
 GAIN ON SALE OF INVESTMENTS	 24,943,360	 275,345,984
LOSS ON SALE OF INVESTMENTS	<u>14,375,071</u>	<u>89,766,404</u>
 NET GAINS (LOSSES) INVESTMENTS	 10,568,289	 185,579,580
 INVESTMENT EXPENSES	 2,846,143	 12,674,624
SECURITIES LENDING EXPENSES	586,814	5,100,689
SIB ADMINISTRATIVE EXPENSES	<u>17,077</u>	<u>143,636</u>
 NET INVESTMENT INCOME	 13,170,592	 211,426,333
 NET APPREC (DEPREC) MARKET VALUE	 (14,302,351)	 (33,476,015)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(326,929)</u>	<u>(1,485,152)</u>
 TOTAL INVESTMENT INCOME	 <u>(1,458,688)</u>	 <u>176,465,166</u>
 NET INCREASE (DECREASE)	 <u>\$ (1,458,688)</u>	 <u>\$ 176,465,166</u>

**PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**Notes To Financial Statements**  
**June 30, 2006**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

**NOTE 4**    **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

**NOTE 5**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

**NOTE 6**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.